

Thursday, February 7, 2019

Council Chambers, City Hall, One Frank H. Ogawa Plaza

AGENDA

Members:

Lanese Martin	District 1	Frank Tucker	District 7
Chang Yi	District 2	Jeff Hatcher	At Large
Zach Knox	District 3	Stephanie Floyd-Johnson	Mayor
Jin Jack Shim	District 4	Vacant	City Auditor
Matt Hummel	District 5	Greg Minor	City Administrator
Derreck Johnson	District 6		

Available on-line at: <https://www.oaklandca.gov/boards-commissions/cannabis-regulatory-commission>

MEETING AGENDA

- A. Roll Call and Determination of Quorum
- B. Open Forum / Public Comment
- C. Review of the Pending List and Additions to Next Month's Agenda
 - *Use of cannabis tax revenues (since July 2017)*
 - *Annual report (since September 2017)*
- D. Approval of the Draft Minutes from the Cannabis Regulatory Commission meeting of January 2019.
- E. Reports for Discussion and Possible Action
 - 1. Brown Act and Oakland Sunshine Overview
 - 2. Councilmembers Kalb and Kaplan's Ordinance to Harmonize Cannabis Business Tax Rates
 - 3. CRC's 2016-2018 Annual Report
 - 4. Dispensary Runner-Ups
 - 5. Cannabis Special Events
- F. Announcements
 - 1. Update on Cannabis Permitting Process.
- G. Adjournment

Persons may speak on any item appearing on the agenda; however, a Speaker Card must be filled out and given to a representative of the Cannabis Regulatory Commission. Multiple agenda items cannot be listed on one speaker card. If a speaker signs up to speak on multiple items listed on the agenda, the Chairperson may rule that the speaker be given an appropriate allocation of time to address all issues at one time (cumulative) before the items are called. All speakers will be allotted 3 minutes or less – unless the Chairperson allots additional time.

♿ This meeting is wheelchair accessible. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in the meetings of the Cannabis Regulatory Commission, please contact the Office of the City Clerk (510) 238-3612. Notification two full business days prior to the meeting will enable the City of Oakland to make reasonable arrangements to ensure accessibility. In compliance with Oakland's policy for people with chemical sensitivities, please refrain from wearing strongly scented products to events.

Questions or concerns regarding this agenda, or to review any agenda-related materials, please contact the Cannabis Regulatory Commission at (510) 238-6370.

Thursday, January 3, 2019

Council Chambers, City Hall, One Frank H. Ogawa Plaza

Minutes

Members:

Lanese Martin	District 1	Frank Tucker	District 7
Chang Yi	District 2	Jeff Hutcher	At Large
Zach Knox	District 3	Stephanie Floyd-Johnson	Mayor
Jin Jack Shim	District 4	Vacant	City Auditor
Matt Hummel	District 5	Greg Minor	City Administrator
Derreck Johnson	District 6		

Available on-line at: <https://www.oaklandca.gov/boards-commissions/cannabis-regulatory-commission>

MEETING AGENDA

A. Roll Call and Determination of Quorum

Present: Martin, Yi, Knox, Hummel, Tucker, Hutcher, Floyd-Johnson, Minor

Absent: Shim, Johnson

B. Open Forum / Public Comment

Three speakers expressed interest in the City implementing cannabis event permitting consistent with AB 2020. Two speakers raised concerns regarding how the City handles the runner up in the dispensary permitting process.

C. Review of the Pending List and Additions to Next Month's Agenda

- *Use of cannabis tax revenues (since July 2017)*
- *Annual report (since September 2017)*

Member Hummel requested the commission place AB 2020 implementation on next month's agenda. Member Martin asked for the dispensary runner-up process to be placed on next month's agenda as well.

D. Approval of the Draft Minutes from the Cannabis Regulatory Commission meeting of December 2018.

Member Hummel moved to approve the draft minutes, Member Floyd-Johnson seconded the motion and it passed by consensus.

Persons may speak on any item appearing on the agenda; however, a Speaker Card must be filled out and given to a representative of the Cannabis Regulatory Commission. Multiple agenda items cannot be listed on one speaker card. If a speaker signs up to speak on multiple items listed on the agenda, the Chairperson may rule that the speaker be given an appropriate allocation of time to address all issues at one time (cumulative) before the items are called. All speakers will be allotted 3 minutes or less – unless the Chairperson allots additional time.

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Questions or concerns regarding this agenda, or to review any agenda-related materials, please contact the Cannabis Regulatory Commission at (510) 238-6370.

E. Reports for Discussion and Possible Action

1. Ethics Training

Jelani Killings of the Public Ethics Commission provided an overview of the Government in Ethics Act, Form 700 requirements, Sunshine Ordinance, and other ethics issues.

2. CRC's 2016-2018 Annual Report

Chair Yi shared that the Annual Report subcommittee did not meet because of the holidays but they would have a draft report to share at next month's meeting.

3. Letter to City Attorney's Office

Member Floyd-Johnson suggested the letter mention that the commission needed guidance from the city attorney as the commission was in the process of preparing its annual report. Member Martin suggested the letter include text from Measure Z itself. Member Hummel suggested the commission should state what the commission believed it's authority was as opposed to asking for guidance.

Member Tucker then made a motion to approve the letter to the City Attorney's Office with whatever changes the subcommittee approves and to forward that letter to the City Attorney's Office. Member Hutcher seconded the motion and it passed by consensus.

F. Announcements

1. Update on Cannabis Permitting Process.

Member Minor provided an update on the permitting process, including the spike in new applications before the state's January 1, 2019 deadline for temporary license applications.

G. Adjournment

CANNABIS REGULATORY COMMISSION

ITEM E (1)

BROWN ACT AND OAKLAND SUNSHINE ORDINANCE OVERVIEW

16660795
February 2019

1

Brown Act & Sunshine provide:

"In enacting [the Brown Act], the legislature finds and declares that the public commissions, boards and councils and the other public agencies in this State exist to aid in the conduct of the people's business. It is the intent of the law that their actions be taken openly and that their deliberations be conducted openly."

(Ralph M. Brown Act - Gov. Code § 54950)

"[The Sunshine Ordinance] is intended in part to clarify and supplement the . . . Brown Act . . . to assure that the people of the City of Oakland can be fully informed and thereby retain control over the instruments of local government in their city."

(Sunshine - Oakland Muni. Code § 2.20.010)

2

Rules of Procedures of CRC

"The CRC, in consultation with the City Administrator, shall establish rules and procedure for the conduct of its business by a majority vote of the members present; provided that a quorum for the conduct of business is six members. Voting shall be required for the adoption of any motion or resolution. The business of the Commission shall be conducted, in so far as practicable, in accordance with the parliamentary rules contained in *Robert's Rules of Order Newly Revised*, as it may be amended from time to time, except as modified by these bylaws and in compliance with the state open meeting laws (Brown Act, Government Code section 54950 et. seq.) and local Sunshine Ordinance (Oakland Municipal Code Chapter 2.20)."

(Article VII, Bylaws of the Community Oversight Committee)

3

Open & Public Meetings

- All meetings of a body subject to the Brown Act must be open to the public.
- The public must have sufficient notice of the meeting.
- All persons must be permitted to attend meetings and speak at public forum and on items.
- Voting by secret ballot or proxy voting is prohibited.
- The body must report all actions taken and the vote or abstention of each member present for the action.

(Gov. Code § 54953)

4

The following communications are prohibited:

- Congregation of a quorum of the Commission in a place that is not noticed and open to the public, such as:
 - Face to face meetings,
 - Teleconference discussions,
 - meal gatherings (often before, during or after a meeting).
- Serial communications that involve a quorum of the Commission.
 - Serial communication = a series of communications/meetings between a quorum of the Commission.
 - Example: Member A calls member B who then calls member C and so on until a quorum of the Commission has reached a collective decision on a matter.
- Use of intermediaries to discuss, deliberate, take action or develop a consensus among a quorum of the Commission.

(Gov. Code § 54952.2; Oakland Muni. Code § 2.20.030)

5

Examples of prohibited communications:

- Email communications among a quorum re Commission business.
- Conversations among a quorum at a dinner, conference, party or other social/public event re Commission business.
- Asking City staff about the positions of a quorum re Commission business.
- Discussion among a quorum regarding scheduling a meeting date.

6

PUBLIC TESTIMONY

(Oakland Muni. Code § 2.20.150)

- Public Speaker time.
 - > Two (2) Minutes Minimum should be allowed for public speakers.
 - > Chair of the Commission may reduce time provided he or she states reasons on the record for the reduction.
- Speaker time limits:
 - > Must be reasonable and applied uniformly.
 - > What is a reasonable depends on several factors, e.g.:
 - Time allocated for the meeting.
 - Number of agenda items.
 - Complexity of the items,
 - Number of persons that have submitted speaker cards

PUBLIC TESTIMONY, cont'd

(Gov. Code § 54954.3; Oakland Muni. Code § 2.20.150)

- Cannot prohibit speakers from expressing public criticism about City services, procedures, activities, etc.
- OPEN FORUM: Regular and special meetings must provide opportunity for public comment on non-agenda matters at the beginning or end of the meeting.
- Members of the public must be allowed to speak on all items appearing on the agenda, even if the Commission removes the item.
- People interested in speaking can be required to submit speaker cards by a deadline. (Deadline, if imposed, should be addressed in Commission's meeting rules.)
- Each member of the public that wishes to speak on an item must be allowed to speak prior to Commission's vote on the item.

AGENDA REQUIREMENTS

(Gov. Code § 54954.2; Oakland Muni. Code § 2.20.030, 2.20.070, 2.20.080)

- Agenda description
 - Date, time and location of meeting.
 - Brief, general description of items in clear and specific language sufficient to alert a person of average intelligence and education whose interests are affected by the item that s/he may have reason to attend the meeting or seek more information.
 - Commission cannot discuss items not on the agenda, except:
 - > to make brief announcements (e.g., a community event),
 - > to schedule future meetings or items,
 - > to provide brief answers to public speakers (e.g., a city email address where speaker can get more information).

AGENDA REQUIREMENTS

(Gov. Code § 54954.2; Oakland Muni. Code § 2.20.030, 2.20.070, 2.20.080)

- Notice - Agenda & Materials
 - > Regular Meetings - 72 hours prior to meeting.
 - > Special Meetings - 48 hours prior to meeting.
 - Exceptions:
 - weekends or holidays DO NOT COUNT towards 48 hours.
 - Special meeting held outside - 10 days notice.
 - Special meeting scheduled in place of a regular meeting that falls on holiday - 5 days notice.
 - Agendas & materials for special meeting scheduled on Monday - posted by noon, the prior Friday.

Exceptions

(Gov. Code § 54952.2; Oakland Muni. Code § 2.20.030)

- Commission members may attend the following if a quorum does not discuss Commission business:
 - Conferences open to the public;
 - Open and public community meetings organized by persons or organizations other than the City;
 - Open and noticed meetings of another local body of the local agency;
 - Open and noticed meetings of the legislative body of another local agency;
 - Social or ceremonial events.

Meeting Location and Time

(Gov. Code § 54954; Oakland Muni. Code § 2.20.060)

- Commission must establish by formal action a regular meeting time and location for meetings.
- Meetings must be held within City of Oakland boundaries.
- Includes: workshops, training sessions, meal gatherings, etc.
- Exceptions that might apply to the Commission:
 - > Participate in meetings or discussions of multi-agency significance outside Oakland;
 - > Meetings with federal or State of California officials when a local meeting is impractical, solely to discuss legislative or regulatory issues related to Commission business.
- Meetings should be held on weekday evenings whenever reasonably possible.

RECORDING MEETINGS

- Each regular and special meeting of the Commission must be audio taped.
- Audio recordings of the meeting are a public record and subject to disclosure. The City will preserve them for at least four years.
- Meetings *may* be video recorded.
- Members of the public have the right to take photographs at the meeting and video record the meeting, provided they are not disruptive.

(Oakland Muni. Code § 2.20.160.B.)

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Enforcement & Penalties

Public Ethics Commission (PEC)

- Complaint may be filed.
- May investigate and/or conduct public hearing following investigation.
- May issue a cure and correct demand to legislative body.

Civil Actions

- Any interested party may file an action.
- Commission has opportunity to cure and correct.
- If judgment is rendered against the City, Commission action is void.
- Costs and attorneys fees may be awarded.

Criminal Penalties

- Misdemeanor: attendance at a meeting of the body where action is taken in violation of the Brown Act.
- Meeting with "intent to deprive the public of information the members knows or has reason to know is public.
- "Action" = collective decision, commitment or promise reached by the body.

(Gov. Code § 54959, 54960, 54960.1; Oakland Muni. Code Chapter 2.20, Art. IV)

14

Parliamentary Rules of Procedure

- A motion is a formal proposal by a commission member to do something.
- A motion should focus the group on what is being decided.
- Generally, a motion should be phrased in a way to take an action or express an opinion.

15

Main motion

- A motion that brings business before the body
- Debatable (subject to discussion)
- Amendable (the motion can be changed)
- Requires a majority vote

16

Amendment

- Used to modify the main motion
- Requires a second
- Debatable
- Amendable
- Requires a majority vote
- Once an amendment passes, it becomes part of the main motion

17

Motion to substitute

- Is a form of an amendment
- Used to propose an alternative motion to the original motion
- Requires a second
- Debatable
- Amendable
- Vote taken on whether to put the substitute in place of the original motion
- If the substitute amendment passes, the main motion as amended still needs to be voted on

18

18

Questions

19

Tabling a motion

- Used to delay action on an item of the agenda until a later time
- Requires a second
- Not debatable
- Not amendable
- Requires a majority vote

20

Refer to a committee

- Refer the issue to a committee to gain further information or take action
- Requires a second
- Debatable
- Amendable
- Requires a majority vote

CANNABIS REGULATORY COMMISSION

ITEM E (2)



FILED
OFFICE OF THE CITY CLERK
OAKLAND

19 JAN 24 PM 4:07

AGENDA REPORT

TO: City Council and members of the Public

FROM: Dan Kalb & Rebecca Kaplan,
City Councilmembers

SUBJECT: Ordinance harmonizing cannabis business tax rates

DATE: January 24, 2019

RECOMMENDATION

ADOPT AN ORDINANCE AMENDING OAKLAND MUNICIPAL CODE TITLE 5, CHAPTER 5.04, SECTION 481, NON-MEDICAL CANNABIS BUSINESSES, TO REDUCE THE TAX RATE FOR NON-MEDICAL CANNABIS BUSINESSES TO BE THE SAME AS THE MEDICAL CANNABIS BUSINESS RATE OF \$50.00 PER \$1,000.00 OF GROSS RECEIPTS OR FRACTION THEREOF

SUMMARY

This legislation would reduce the existing 10% tax rate for non-medical cannabis businesses to be the same as the existing 5% rate for medical cannabis businesses. This rate change would apply effective January 1, 2019 and expire January 1, 2034.

BACKGROUND/LEGISLATIVE HISTORY

In 2009, Oakland voters approved Measure F, making Oakland the first City in the nation to impose a tax on medical cannabis businesses. The tax rate was 1.8% of gross receipts. In November 2010, Oakland voters approved Measure V to increase the tax rate on medical cannabis businesses to 5% and create a new tax rate of 10% for non-medical cannabis businesses. Oakland's non-medical cannabis business tax rate became effective in January 2018 following the passage of Proposition 64 in November 2016, legalizing adult use. On November 6, 2018, Oakland voters passed Measure V, which authorized the Oakland City Council, in relevant part, to change Section 5.04.481 in any manner that does not increase the applicable tax rate.

Item: _____
Finance & Management Committee
January 29, 2019

ANALYSIS

On March 1, 2019, business taxes will be due from cannabis businesses operating in the City of Oakland. The tax rates for these businesses taxes are amongst the highest in the state. The recommended legislation to reduce the non-medical business tax rate to the same as that for medical businesses helps Oakland to be regionally competitive, reduces the administrative burden on the Finance Department, and comports with the expectations of the voters regarding the passage of Measure V in November 2018.

As made clear by the Administration's Cannabis Business Tax Policy Analysis report dated February 1, 2018 presented to the City Council in the spring, Oakland's 10% tax rate on Adult Use is much higher than most other regional competitors. Since the that report was issued, some jurisdictions have also lowered their own tax rates. Currently, Berkeley's rate is 5% (and half again for medical). Emeryville is only 3%--and even less on manufacturing (2%) and distribution (1%). Santa Rosa is 3% retail and even lower on manufacturing (1%) and 0% on distribution. South San Francisco's tax cannot exceed 5% and can be as low as 1%. Even unincorporated Contra Costa County is lower at 4%. West Sacramento imposes a 2.5% Development Agreement "fee." Sacramento has a 4% across the board tax. All of these are half or less of the Oakland 10%, which sticks out like a sore thumb.

Additionally, treating medical and non-medical businesses similarly for tax purposes makes sense for other reasons. For example, the state has eliminated the taxation and regulatory distinctions between Medical and Adult Use in the non-retail supply chain. Oakland is also one of the few jurisdictions in California that still distinguishes between Adult Use and Medical business tax rates. Further, for cultivation businesses, it is very difficult to distinguish between what will ultimately be medical vs. non-medical cannabis. By making medical and non-medical business rates the same, the City would avoid the administrative difficulty of needing to separately be able to track which sales end up going to medical patients and which do not.

FISCAL IMPACT

This legislation would reduce the General Fund budget by approximately \$1.8 million in Fiscal Year 18-19 and lower revenues for future years.

PUBLIC OUTREACH / INTEREST

The Council President Pro Tempore's office has conducting outreach about this legislation with representatives of the cannabis industry.

COORDINATION

The City Attorney's office, Finance Department, and City Administrator were consulted on the legislation.

SUSTAINABLE OPPORTUNITIES

Economic: The ordinance is intended to protect the economic vitality of Oakland by improving the competitiveness of Oakland's cannabis industry.

Environmental: There are no environmental opportunities associated with this report.

Social Equity: The ordinance is intended to promote social equity by protecting smaller Oakland cannabis businesses, who are less economically secure than larger businesses and have a more difficult time absorbing a high tax.

ACTION REQUESTED BY THE CITY COUNCIL

Council President Pro Tempore Kalb and Council President Kaplan recommends the City Council:

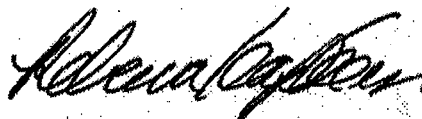
Adopt an Ordinance Amending the Rent Adjustment Ordinance (O.M.C. 8.22.020 et seq) and Tenant Protection Ordinance (O.M.C. 8.22.600 et seq) to Eliminate Exemptions for Owner-Occupied Duplexes and Triplexes

For questions regarding this report, please contact Oliver Luby, Chief of Staff, Office of Council President Pro Tempore Dan Kalb, at 510-238-7013.

Respectfully submitted,



Dan Kalb
Council President Pro Tempore

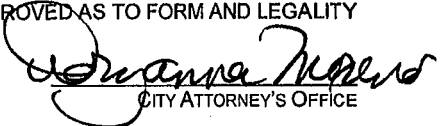


Rebecca Kaplan
Council President

Prepared by:
Oliver Luby, Chief of Staff
Office of Council President Pro Tempore Dan Kalb

FILED
OFFICE OF THE CITY CLERK
OAKLAND

APPROVED AS TO FORM AND LEGALITY


CITY ATTORNEY'S OFFICE

19 JAN 24 PM 4:07

OAKLAND CITY COUNCIL

ORDINANCE NO. _____ C.M.S.

INTRODUCED BY PRESIDENT PRO TEMPORE DAN KALB AND COUNCIL PRESIDENT REBECCA KAPLAN

ORDINANCE AMENDING OAKLAND MUNICIPAL CODE TITLE 5, CHAPTER 5.04, SECTION 5.04.481, NON-MEDICAL CANNABIS BUSINESSES, TO REDUCE THE TAX RATE FOR NON-MEDICAL CANNABIS BUSINESSES TO BE THE SAME AS THE 2019 MEDICAL CANNABIS BUSINESS TAX RATE OF \$50.00 PER \$1,000.00 OF GROSS RECEIPTS OR FRACTION THEREOF

WHEREAS, Chapter 5.04 of the Oakland Municipal Code contains the business tax ordinance, which applies to all persons engaged in business activities in Oakland; and

WHEREAS, the business tax applicable to non-medical cannabis businesses is contained in Section 5.04.481 of the Oakland Municipal Code; and

WHEREAS, on November 6, 2018, Oakland voters passed Measure V, which authorized the Oakland City Council, in relevant part, to change Section 5.04.481 in any manner that does not increase the applicable tax rate; and

WHEREAS, the City of Oakland's business tax rate for non-medical cannabis businesses is 10% of gross receipts, while the business tax rate for medical cannabis businesses is 5% of gross receipts; and

WHEREAS, Oakland's 10% tax rate on for non-medical cannabis businesses out of line with its regional competitors, putting our industry at a competitive disadvantage; and

WHEREAS, the Oakland City Council wishes to immediately reduce the non-medical cannabis business tax on a temporary basis to be the same as Oakland's 2019 medical cannabis business tax rate, which is \$50.00 for each \$1,000.00 of gross receipts or fractional part thereof;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

SECTION 1. Title 5, Chapter 5.04 of the Oakland Municipal Code containing the business tax requirements applicable to non-medical cannabis is amended to add, delete or modify sections as set forth below (section numbers and titles are indicated in bold type; additions are indicated by underscoring and deletions are indicated by strike-

through type.) Portions of regulations not cited or not shown in underscoring or strike-through are not changed.

SECTION 2. Code Amendments.

Title 5, Chapter 5.04, section 5.04.481 is amended as follows:

5.04.481 - Non-medical cannabis businesses.

For the purpose of this section:

- A. "Non-medical cannabis business" means any of the activities described in Subsection 5.04.480 A. that are not conducted pursuant to Health and Safety Code Sections 11362.5 and 11362.7-11362.83, but are otherwise authorized by State law.
- B. From January 1, 2019 until December 31, 2033, Every person engaged in a "non-medical cannabis business" not otherwise specifically taxed by other business tax provisions of this chapter, shall pay a reduced business tax of \$10050.00 for each \$1,000.00 of gross receipts or fractional part thereof. On January 1, 2034 and thereafter, the reduced tax rate shall expire and the tax rate shall return to \$100.00 for each \$1,000.00 of gross receipts or fractional part thereof unless the City Council adopts legislation providing a lower rate.

SECTION 3. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 4. Effective Date. This ordinance shall become effective immediately on final adoption if it receives six or more affirmative votes; otherwise, this ordinance shall become effective upon the seventh day after final adoption.

2650215v1

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR, THAO AND PRESIDENT KAPLAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

Date of Attestation: _____

NOTICE AND DIGEST

**ORDINANCE AMENDING OAKLAND MUNICIPAL CODE
TTITLE 5, CHAPTER 5.04, SECTION 5.04.481, NON-
MEDICAL CANNABIS BUSINESSES, TO REDUCE THE
TAX RATE FOR NON-MEDICAL CANNABIS
BUSINESSES TO BE THE SAME AS THE 2019 MEDICAL
CANNABIS BUSINESS TAX RATE OF \$50.00 PER
\$1,000.00 OF GROSS RECEIPTS OR FRACTION
THEREOF**

This ordinance will reduce the City of Oakland's tax rate for non-medical cannabis businesses from \$100.00 per \$1,000.00 of gross receipts or fraction thereof to \$50.00 per \$1,000.00 of gross receipts or fraction thereof earned in the prior year.



FILED
OFFICE OF THE CITY CLERK
OAKLAND

2019 JAN 24 PM 5:08 **AGENDA REPORT**

TO: Sabrina B. Landreth
City Administrator

FROM: Katano Kasaine
Director of Finance

SUBJECT: Non-Medical Cannabis
Business Tax Rate Reduction

DATE: January 21, 2019

City Administrator Approval

Date:

1/24/19

RECOMMENDATION

Staff Recommends That The City Council Receive An Informational Report Regarding The Proposed Ordinance Amending Oakland Municipal Code Title 5, Chapter 5.04, Section 481, Non-Medical Cannabis Businesses, To Reduce The Tax Rate For Non-Medical Cannabis Businesses To Be The Same As the Medical Cannabis Business Rate of \$50.00 Per \$1,000.00 of Gross Receipts Or Fraction Thereof.

EXECUTIVE SUMMARY

On November 6, 2018, Oakland voters, by a margin of 79.82 percent, approved the Oakland City Council, on its own motion, Measure V (1) allowing cannabis businesses to pay business taxes quarterly; (2) allowing cannabis manufacturing and/or cultivation businesses to deduct the value of raw materials from gross receipts in calculating business taxes; and (3) authorizing the City Council, without returning to voters, to amend medical or non-medical cannabis business taxes in any manner that does not increase the tax rate.

The focus of this informational report is Councilmember Kalb's proposed reduction of the existing business tax rate from \$100 per \$1,000, or 10%, of the gross receipts to \$50 per \$1,000, or 5%, of gross receipts on non-medical cannabis businesses. **Staff is recommending against adoption of the proposed Ordinance if it is to be effective in fiscal year (FY) 2018-19, as it would create an ongoing negative financial impact of approximately \$1.8 million without identified balancing measures. In addition, the proposed Ordinance adoption would negatively impact the possible 1% wage increases based upon the performance of unrestricted local tax revenues that is memorialized in all civilian labor bargaining groups' Memorandums of Understanding and the Local 55 Arbitration award.¹**

¹ Wage increase tied to revenue growth- If FY 2018-19 general purposed fund unrestricted local tax revenues, as forecasted in the Third Quarter Revenue & Expenditure report or as confirmed based on audited actuals for FY 2018-19, exceed the General Purposed Fund unrestricted local tax revenues for FY 2018-19 as approved in the FY 2017-19 Adopted Policy Budget by 4.5% or more, bargaining unit members shall receive an additional 1.0% wage increase effective retroactive to the first pay period after January 1, 2019. For purposes of these calculations, unrestricted General Purpose Fund local tax revenues will be limited to ongoing revenues

BACKGROUND / LEGISLATIVE HISTORY

In November 2010, Oakland voters approved Measure V increasing the tax rate on medical cannabis businesses from 1.8 (1.8%) to five percent (5%) and creating a new tax rate of 10 percent (10%) of gross receipts on non-medical cannabis businesses, referred to as adult-use or recreational. The additional 10 percent adult-use tax rate was put forth in anticipation of Proposition 19 being passed in the same election. Proposition 19 failed at the ballot box. As a result, Oakland never implemented the adult-use tax rate. Oakland's adult-use tax rate became effective for the first-time January 1, 2018 following the passage of Proposition 64 statewide in November 2016.

In February 2018, staff prepared and provided the City Council, at the request of then Council President Larry Reid, an informational report on Cannabis Business Tax Policy Analysis² that was drawn upon the work done by the Marijuana Policy Group, the University of the Pacific, Center for Business & Policy Research, and staff own experience in working the local cannabis businesses. The City Council received and filed the report on March 6, 2018.

In June 2018, the City Council adopted Resolution No. 87247 C.M.S submitting for voter consideration at the statewide general election on November 6, 2018 a proposed ordinance to (1) allow cannabis businesses to pay business taxes quarterly; (2) allow cannabis manufacturing and/or cultivation businesses to deduct the value of raw materials from gross receipts in calculating business taxes; and (3) authorize the City Council, without returning to voters, to amend medical or non-medical cannabis business taxes in any manner that does not increase the tax rate.

In November 2018, Oakland voters approved the City Council's proposed ordinance by a margin of 79.82 percent.

ANALYSIS AND POLICY ALTERNATIVES

On June 19, 2018, the City Council adopted the FY 2018-19 Midcycle Budget Amendments, which, among other adjustments, included a projected upward adjustment of \$5.7 million increase in the Business License Tax category³. when compared to the FY 2017-18 Q3 Forecast. Of the \$5.7 million projected increase in the business license tax category, \$3.6 million, or 63%, was directly tied to the projected collection of business license tax from the non-medical tax rate of \$100 per \$1,000, or 10%, of the gross receipts that many cannabis businesses are expected to pay on or before March 1, 2019, with some are expected to receive an extension for the payment by April 10, 2019 or enter a repayment plan.

If adopted, the proposed reduction of 50% in the non-medical tax rate from 10% down to 5% of

including: property taxes, sales taxes, business license taxes, utility user taxes, real estate transfer taxes, transient occupancy taxes and parking taxes.

² Cannabis Business Tax Policy Analysis:

<https://oakland.legistar.com/LegislationDetail.aspx?ID=3268538&GUID=D31F72D6-2697-4D9D-B4E4-73BBBAF2F7DE&Options=&Search=>

³ Business License Tax Category: \$86,622,000 (FY 18-19 Midcycle) - \$80,962,300 (FY 2017-18 Q3 Forecast)
<https://cao-94612.s3.amazonaws.com/documents/OAK070959.pdf>

the gross receipts will result in an equivalent 50%, or approximately \$1.8 million, less in the projected collection of business tax from the adult-use segment of cannabis businesses.

Alternatively, the adoption of non-medical tax rate reduction should also be viewed in the context of the City's current economic condition, including the areas of competition and enforcement efforts on the illegal market. In the competition area, and as noted in staff's February 2018 report, "less than 30% of cities and counties in California are allowing cannabis business and, of those that are, not all are allowing all aspects of the supply chain." Of this 30%, only "14 percent of California's cities and counties currently permit recreational marijuana sales" according to the article titled "Here's how Year One of legal marijuana in California played out" and published in the Mercury News on December 28, 2018. In the area of enforcement, the same article quoted the chief of California's Bureau of Cannabis Control stating that the "focus will be primarily on getting more businesses licensed and increasing enforcement efforts on the illegal market" in 2019.

On the City's budgetary front, which, in many aspects, is the key indicator of the City's overall economic condition, the City is experiencing increases in most of every revenue type during the last several years. The increases afforded the City Council to make key investment in high priorities areas, such as homelessness, affordable housing, illegal dumping and other issues important to the Oakland community. The proposed reduction could possibly dampen the City Council's ability in continuing making the investment in priorities areas important to the Oakland community. Moreover, the making of tax policy changes are arguably best designed and reserved to spur economic growth, especially during the economic downturn. Given the City's economic condition has largely recovered since the Great Recession in late 2007, and if history is of indication, a downturn or a slowdown in economy is not farfetched.

FISCAL IMPACT

Under the proposed ordinance, the reduction of 50% in the non-medical cannabis business tax rate from \$100 per \$1,000, or 10%, to \$50 per \$1,000, or 5%, of **gross receipts would result in the reduction of approximately \$1.8 million annually.** Alternatively, a reduction of 25% in the non-medical cannabis tax rate from \$100 per \$1,000, or 10%, to \$75 per \$1,000, or 7.5%, of gross receipts would result in the reduction of approximately \$900,000 annually. The tax revenue being proposed to be decreased is already in the Adopted FY 2018-19 Mid-Year Operating Budget and has expenditures budgeted against the planned revenue. If the proposed Ordinance is adopted, the Council would need to identify \$1.8 million of budgeted expenditures to cut. Furthermore, adoption of the proposed Ordinance would negatively impact the possible 1% wage increases based upon the performance of unrestricted local tax revenues that is memorialized in all civilian labor bargaining groups' Memorandums of Understanding and the Local 55 Arbitration award.

Cannabis Revenue	2018-19 Adopted budget	2018-19 Midcycle Forecast	Financial Impact 50% Reduction of Tax Rate	Financial Impact 25% Reduction of Tax Rate
Medical	\$ 5,580,912	\$ 7,416,656	\$ 7,416,656	\$ 7,416,656
Recreational	\$ 3,400,000	\$ 3,583,344	\$ 1,791,672	\$ 895,836
Total	\$ 8,980,912	\$ 11,000,000	\$ 9,208,328	\$ 8,312,492

Recommendation

Due to the negative fiscal impact on the Adopted Mid-Year FY 2018-19 Operating Budget and the negative impact to adopted labor Memorandums of Understanding, staff is recommending that the City Council not adopt the proposed Ordinance reducing the current tax rate for non-medical cannabis businesses from 10% to 5% effective FY 2018-19. In addition, the proposed Ordinance adoption would negatively impact the possible 1% wage increases based upon the performance of unrestricted local tax revenues that is memorialized in all civilian labor bargaining groups' Memorandums of Understanding and the Local 55 Arbitration award.

PUBLIC OUTREACH / INTEREST

No outreach was deemed necessary for this informational report beyond the standard Council agenda noticing procedures

COORDINATION

This report has been coordinated with the Budget Bureau.

SUSTAINABLE OPPORTUNITES

Economic: A reduction of non-medical tax rate would allow the City to stay on par with tax rates in adopted in surrounding jurisdictions and possibly encourage more cannabis businesses to stay or to open in the City. Conversely, the reduction would also result in the lower tax revenue and possibly limit the City's ability to attract and diversify its economic base due to cannabis businesses taking up more industrial buildings and/or warehouses.

Environmental: The most important environmental concerns related to cannabis industry are in the consumption of water and the disposal of unused or discarded waste. Robust regulations regarding the disposal of waste should minimize the impact. The use of precious water resource is, at this time, unavoidable.

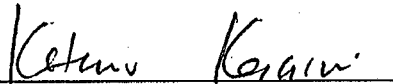
Social Equity: There is no social equity related to the proposed reduction of the tax rate.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council accept this informational report regarding the proposed Ordinance amending Oakland Municipal Code Title 5, Chapter 5.04, Section 481, Non-Medical Cannabis Businesses, to reduce the tax rate for non-medical cannabis businesses to be the same as the medical cannabis businesses rate of \$50.00 per \$1,000.00 of gross receipts or fraction thereof.

For questions regarding this report, please contact Margaret O'Brien, Revenue & Tax Administrator, (510) 238-7480.

Respectfully submitted,



Katano Kasaine
Director of Finance
Finance Department

Reviewed by:
Margaret O'Brien
Revenue and Tax Administrator
Revenue Management Bureau

Prepared by:
Huey Dang
Revenue Analyst
Revenue Management Bureau

CANNABIS REGULATORY COMMISSION

ITEM E (3)

DRAFT CANNABIS REGULATORY COMMISSION 2016-2018 ANNUAL REPORT SUMMARY

	2016	2017	2018
State Actions	<ul style="list-style-type: none"> California Voters Pass the Adult Use of Marijuana Act (AUMA) or Proposition 64 	<ul style="list-style-type: none"> State Legislature Consolidates Medical Cannabis and Regulation Act (MCRSA) with AUMA via Medical and Adult Use of Cannabis Regulation and Safety Act (MAUCRSA) State Agencies Release Initial Regulations 	<ul style="list-style-type: none"> State Agencies Introduce Updated Regulations and Propose Further Regulations The Legislature Considers and Passes Numerous Cannabis Related Bills
City Council/City Administration Actions	<ul style="list-style-type: none"> City Council Enacts Initial Equity Program and OMC Updates City Council Considers Various Proposals to Amend Initial Equity Program City Council Directs the City Administration to Conduct a Race and Equity Analysis of the Different Proposals 	<ul style="list-style-type: none"> City Administration Presents Race and Equity Analysis City Council Enacts Revised Equity Permit Program City Council Funds Technical and Financial Assistance via Incoming New Cannabis Tax Revenue City Council Further Amends OMC to Incorporate Adult Use and Temporary State License Process Applications for Non-Dispensary Permits Become Available Applications for 8 New Dispensary Permits Accepted 	<ul style="list-style-type: none"> Eight New Dispensary Operators Selected City Council Amends OMC 5.80 and 5.81 to Protect Work-Live and Residential Premises City Council Passes Clean-Up Amendments City Council Places Ballot Measure re Cannabis Tax Policy Before Oakland Voters
CRC Recommendations Adopted by State, City Council, or City Administration	<ul style="list-style-type: none"> Passage of Proposition 64 Expand Equity Qualifying Police Beats Expand Size of Personal Cultivation Allow Onsite Consumption at Dispensaries 	<ul style="list-style-type: none"> Establish a Permitting Process for Cannabis Events Allow for Shared Space 	<ul style="list-style-type: none"> Protect Live-Work and Residential Premises

DRAFT CANNABIS REGULATORY COMMISSION 2016-2018 ANNUAL REPORT SUMMARY

	2016	2017	2018
<p>CRC Recommendations Not Yet Adopted by State, City Council, or City Administration</p>	<ul style="list-style-type: none"> • Cannabis Job Training • Clarify Legal Paths for Discarding Cannabis Waste • Improve Banking Access for Cannabis Businesses • Expedite Building and Fire Permitting • Less Criminal Enforcement of Cannabis Offenses and Less Disparate Enforcement Outcomes by Race 	<ul style="list-style-type: none"> • Formalize CRC's advisory role for all City cannabis matters • Expand the Areas Where Cannabis Activity is Allowed 	<ul style="list-style-type: none"> • Formalize CRC's Role re Oversight of Spending of Cannabis Revenues Received • Eliminate Taxes for Compassion Programs
		<ul style="list-style-type: none"> • Remove Limit on the Number of Dispensary Permits 	<ul style="list-style-type: none"> • Establish Oakland is a Sanctuary City Policy for Cannabis

CANNABIS REGULATORY COMMISSION

ITEM E (4)

5.80.020 - Business permit and application required.

- A. Except for hospitals, research facilities, state licensed entities issued a special event permit under Section 9.52, or an entity authorized pursuant to Section 8.46.030, it is unlawful for any owner, operator, or association to own, conduct, operate, maintain, participate therein, or to cause or allow to be conducted, operated, or maintained, any dispensary, delivery or delivery only dispensary in or into the City unless there exists a valid business permit in compliance with the provisions of Chapter 5.02 and a permit issued under this Chapter. However, entities authorized under OMC Chapter 8.46 must abide by the same requirements imposed herein on dispensaries.
- B. This Chapter, and the requirement to obtain a business permit, do not apply to the individual possession or cultivation of cannabis for personal use, nor does this Chapter and such requirement apply to the usage, distribution, cultivation or processing of cannabis by qualified patients or primary caregivers when such group is of three (3) or fewer individuals, and distributing, cultivating or processing the cannabis from a residential unit or a parcel of land. Such associations shall not be required to obtain a permit under Chapter 5.80, but must comply with applicable State law.
- C. The City Administrator shall issue no more than eight (8) new valid permits for the operation of dispensaries in the City per calendar year, with a minimum of half of the dispensary permits issued each calendar year issued to Equity Applicants. Delivery only dispensaries shall not be subject to these limits. Dispensary permits shall be issued through an equity permit process done in collaboration with the department of race and equity. No individual or entity shall have a direct or indirect interest in more than two (2) dispensary permits.
- D. In addition to the requirements specified in Section 5.02.020 for business permits, the application for a dispensary permit shall set forth the following information:
1. Unless the City Administrator in his/her discretion determines that the location will not impact the peace, order and welfare of the public evidence that the proposed location of such dispensary is not within six hundred (600) feet of a public or private school providing instruction in kindergarten or grades 1 to 12, inclusive (but not including any private school in which education is primarily conducted in private homes), another dispensary or youth center, unless the school or youth center moved into the area after the dispensary was issued a permit under this Chapter. The distance between facilities shall be measured via path of travel from the closest door of one (1) facility to the closest door of the other facility unless

otherwise prescribed by state law. The proposed dispensary must be located in a commercial or industrial zone, or its equivalent as may be amended, of the City. The proposed delivery only dispensary must also be located in a Commercial or Industrial Zone, excluding the CN Neighborhood Center Commercial Zones and the D-BV Broadway Valdez District Commercial Zones, or their equivalent as may be amended, of the City. Delivery only dispensaries shall not occupy more than one thousand (1,000) square feet of ground floor storefront space in a building facing a Commercially zoned principal streets. The limitations on locations for delivery only dispensaries shall apply to those applicants who submit applications after the effective date of these amendments.

2. A plan of operations that will describe how the dispensary or delivery only dispensary will operate consistent with State law and the provisions of this Chapter, including but not limited to:
 - a. Controls to ensure cannabis will be dispensed only to adults over twenty-one (21) years of age, qualified patients or primary caregivers, and
 - b. Controls to acquire, possess, transport and distribute cannabis to and from State licensed cannabis entities.
3. A security plan, as a separate document, outlining the proposed security arrangements to deter and prevent unauthorized entrance into areas containing cannabis or cannabis products and theft of cannabis or cannabis products at the dispensary, in accordance with minimum security measures required by State law. The security plan shall be reviewed by the Police Department and the Office of the City Administrator and shall be exempt from disclosure as a public record pursuant to Government Code Section 6255(a).
4. A community beautification plan to reduce illegal dumping, littering, graffiti and blight and promote beautification of the adjacent community within fifty (50) feet of the dispensary or delivery-only dispensary.
5. If the applicant is an Equity Applicant, information documenting such status, as described in Section 5.80.045 and any applicable administrative guidelines.
6. Such other information deemed necessary to conduct any investigation or background check of the applicant, and for the City Administrator to determine compliance with this Chapter, the City's Municipal Code and Zoning Code.
 - a.



**SPECIAL ACTIVITY PERMITS DIVISION
OFFICE OF THE CITY ADMINISTRATOR**

**2017 CANNABIS DISPENSARY PERMITS
REQUEST FOR PERMIT APPLICATIONS**

Application Period Commences:

Tuesday October 3, 2017

Application Discussion Meeting:

Monday October 9, 2017 10:00 a.m.-11:00 a.m.

1 Frank Ogawa Plaza, Council Chambers

Free Business Plan Workshops for Equity Applicants:

October 10, 2017 10:00 a.m.-12:00 p.m. and 1:00-3:00 p.m.

October 16, 2017 9:30 a.m.-11:30 a.m. and 1:30-3:30 p.m.

October 19, 2017 10:00 a.m.-12:00 p.m. and 1:00-3:00 p.m.

1 Frank Ogawa Plaza, Hearing Room Three

Sign-Up Here: <https://form.jotform.us/makegreengo/OaklandEquityProgram>

Application Submission Deadline:

Monday November 20, 2017 2:00 p.m.

REQUEST FOR PERMIT APPLICATIONS (RFPA) OVERVIEW

INTRODUCTION

In the Spring of 2017 the Oakland City Council enacted landmark medical cannabis legislation centered around an Equity Permit Program that seeks to minimize disparities within the cannabis industry. The Equity Permit Program, codified in Oakland Municipal Code (OMC) 5.80 and 5.81, requires the City Administrator to issue a minimum of half of the dispensary permits issued each calendar year to equity applicants.¹

Accordingly, the City of Oakland is now issuing this Request for Permit Applications (RFPA) to identify qualified individuals and entities to operate eight (8) available dispensary permits of which four (4) permits will be available for equity applicants and four (4) permits will be available for general applicants.

PURPOSE

The purpose of this RFPA is twofold:

- (1) to promote access to living wage employment, local ownership of assets, and wealth building; and
- (2) to ensure cannabis businesses are safe and a benefit to their surrounding community.

SUMMARY OF PROCESS

The RFPA process will take place in three stages:

Phase One: Application Submission

- (1) All applicant board members, partners and managers must undergo a LiveScan background check.² The LiveScan form is available at http://www2.oaklandnet.com/oakca1/groups/cityadministrator/documents/agenda/oa_k064001.pdf. Applicants that have already undergone a LiveScan as part of a City of Oakland's 2017 non-dispensary medical cannabis permit application they submitted need not perform an additional LiveScan.

¹ An Equity Applicant is an Oakland resident who has an annual income at or less than 80 percent of the Oakland Average Medium Income AND either has been convicted of a cannabis crime committed in Oakland OR has lived for ten of the last twenty years in police beats that experienced a disproportionately higher amount of law enforcement with respect to cannabis.

² The purpose of the background check is to determine whether an individual has been convicted or plead guilty or nolo contendere to violent offenses or those involving fraud or deceit in the last seven years. Applicants with such a conviction or guilty plea will be offered an opportunity to present evidence of mitigation or rehabilitation. Prior drug offenses will not be considered in the background check.

- (2) Before 2:00 p.m. November 20, 2017 applicants should submit one (1) full set (application plus attachments) and three (3) additional paper copies of their completed Dispensary Permit Application (no attachments) as well as the completed LiveScan form and all applicable fees to the Special Activity Permits office in the City Administrator's Office, 1 Frank H. Ogawa Plaza, 11th floor (Accepted Monday through Thursday, 9:30am-12pm and 1:00pm-3:30pm).
- The Dispensary Permit Application fee is \$2,500, the LiveScan processing fee is \$32 per person. *Equity Applicants are not required to pay the application fee, only the applicable LiveScan fees.*
 - Payment shall be made in check, money order or cashier's check payable to the City of Oakland. *Cash and credit card payments will not be accepted.*

Phase Two: Review and Selection

A panel of City staff will review all applications submitted by the due date and time.

All complete applications submitted by verified equity applicants will be eligible for a public drawing from which the City will select four (4) equity applicants to proceed to Phase Three.

General applicant submissions will be scored and ranked based on the point structure outlined in the general dispensary permit application. Afterwards the top four (4) general applicants will be invited to proceed to Phase Three. If there is a tie for the fourth ranked general applicant position, those tied will be eligible for a public drawing in which the city will select one of these applicants to proceed to Phase Three.

Phase Three: Site Identification

Dispensary applicants selected for Phase Three will have up to ninety (90) days to identify a location for their dispensary that complies with the location restrictions under OMC 5.80 that the applicant either owns, leases, or has entered an intent to lease agreement with the property owner. This proposed location shall then be subject to a public hearing as provided by OMC 5.80.020 (E) during which the community will be allowed to present concerns, support, and/or additional considerations. The City encourages Phase Three applicants to use this time to introduce themselves to potential neighbors, businesses and community groups near their proposed dispensary and listen to any concerns these neighbors might have regarding the operation of a dispensary.

After the public hearing, the hearing officer can conditionally approve the dispensary applicant subject to review and approval of the building, fire, revenue and police departments. Alternatively, the hearing officer can deny the proposed location but offer the applicant one additional forty-five (45) day period to identify an alternative site and obtain approval.

If an applicant fails to obtain approval for a location in the above-described timelines, the respective general or equity applicant runner-up will be notified and allowed to proceed to Phase Three.

CANNABIS REGULATORY COMMISSION

ITEM E (5)

C. Cannabis Licensee Information

1. Please list below all cannabis licensees that will be selling cannabis products at the event. Attach additional pages as necessary. Please note only state licensed retailers (storefront and non-storefront) and microbusinesses authorized to conduct retail can sell cannabis products at temporary cannabis events.

	LICENSEE NAME	LICENSE TYPE	STATE LICENSE NUMBER	LICENSE EXPIRATION DATE
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

2. For each licensee, please attach a copy of their current City of Oakland business tax certificate.
3. For each licensee, please attach a list of all employees that will be providing cannabis products at the event.
4. Any changes to the list of licensees or employees after submission of the Supplemental Special Event Permit Application must be made via an updated Supplemental Application and Event Diagram submitted to the Oakland Police Department Special Events Unit at least one week in advance of the event.

D. Onsite Consumption Information

1. Will cannabis be consumed at the event?
 Yes No

If you answered No, please skip to Section E. If you answered yes, please attach an Onsite Consumption Plan that outlines:

- The different forms of onsite consumption that will be allowed;
- Where the consumption will take place;
- How the Applicant will deter drugged driving;

- How Applicant will ensure any consumption is not visible from a public place or by people under age of 21.
- How Applicant will ensure no consumption or sale of alcohol and tobacco will take place.
- Whether any consumption will take place within 1,000 feet of a school, day care or youth center while children are present.

2. Will cannabis be smoked at the event?

- Yes No

If you answered No, please skip to Section E. If you answered Yes, please clarify where the smoking will take place:

- In an enclosed area In an unenclosed area

Please note OMC 8.30 restricts where smoking can take place in the City of Oakland, including enclosed areas that are places of employment and unenclosed areas that are recreational areas.

For more information, please visit:

https://library.municode.com/ca/oakland/codes/code_of_ordinances?nodeId=TIT8HESA_CH8.3_OSM

E. Security Information

Please attach a Security plan along with a list of all Security Guards and their Guard Card license numbers.

F. Oath of Application

I, the undersigned, declare under penalty of perjury that to the best of my knowledge, the information contained in this application and its supporting documentation is truthful, correct and complete; and, the information contained in this application and its supporting documentation discloses all facts regarding the applicant and associated individuals necessary to allow the City of Oakland to properly evaluate the applicant's qualifications for a Cannabis Special Event Application.

I, the undersigned, further agree and recognize that I am responsible for obeying all Federal, State, County and local laws.

I, the undersigned, further agree and understand that any misrepresentations, omissions or falsifications in the application or any documents attached thereto or amendments thereto will be immediate grounds for the City of Oakland to deny this permit application.

Signed: _____

Date: _____

ATTACHMENTS

Be sure your application has the following items enclosed:

A. Applicant Information

- Copy of State Event Organizer License
- Copy of Stamped Live Scan Form
- Copy of Applicant's City of Oakland Business Tax Certificate

B. Event Information

- Authorization from Private Property Owner if Applicable
- Event Diagram
- Itinerary of the Event
- Copy of Fire Public Assembly Permit

C. Cannabis Licensee Information

- Copy of Retailer, Delivery-Non-Storefront or Microbusiness license for each vendor
- Copy of City of Oakland Business Tax Certificate for each Retailer, Delivery-Non-Storefront or Microbusiness license
- List of Licensee Employees

D. Onsite Consumption Information

- Onsite Consumption Plan

E. Security Information

- Security Plan
- Security Guard list with Guard Card Numbers

CANNABIS REGULATORY COMMISSION

ITEM F (1)

	TOTALS	PENDING	GRAND TOTAL
Total Complete & Incomplete Applications	1474	101	1575
Total Complete Applications	1373		
Complete General Applications	571		
Equity Applications based on residency	701		
Equity Applications based on conviction	101		
Incubators	339		
Interested in Incubating	23		
Complete Application with property	1064		
Complete Application without property (Equity)	261		
Complete Applicants without property (General)	48		
	1373		

COMPLETED APPLICATIONS BY BUSINESS TYPE	GENERAL	INCUBATOR*	INTERESTED IN INCUBATING*	EQUITY
Delivery	134	64	4	203
Cultivator (Indoor)	124	68	12	126
Cultivator (Outdoor)	5	4	0	36
Distributor	129	89	4	201
Mfg. Volatile	67	48		46
Mfg. Non-Volatile	100	59	3	139
Transporter	9	4	0	36
Lab Testing	3	3	0	15
GRAND TOTALS	571	339	23	802

*These numbers are part of the General Total

1/31/2019

2/4/2019

1373

2/4/2019